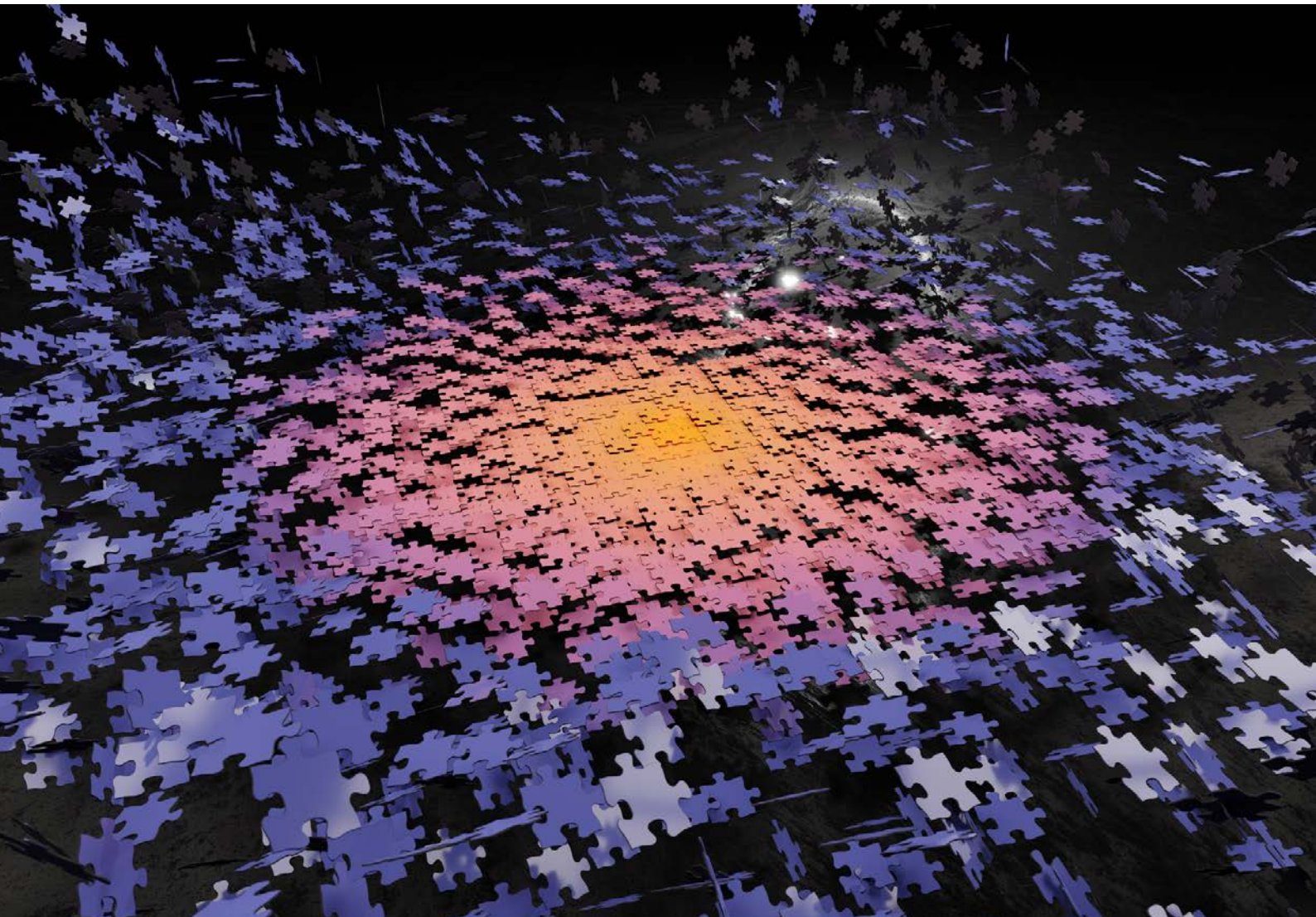


THE IMPACT OF GENERATIVE AI IN LEGAL PRACTICE

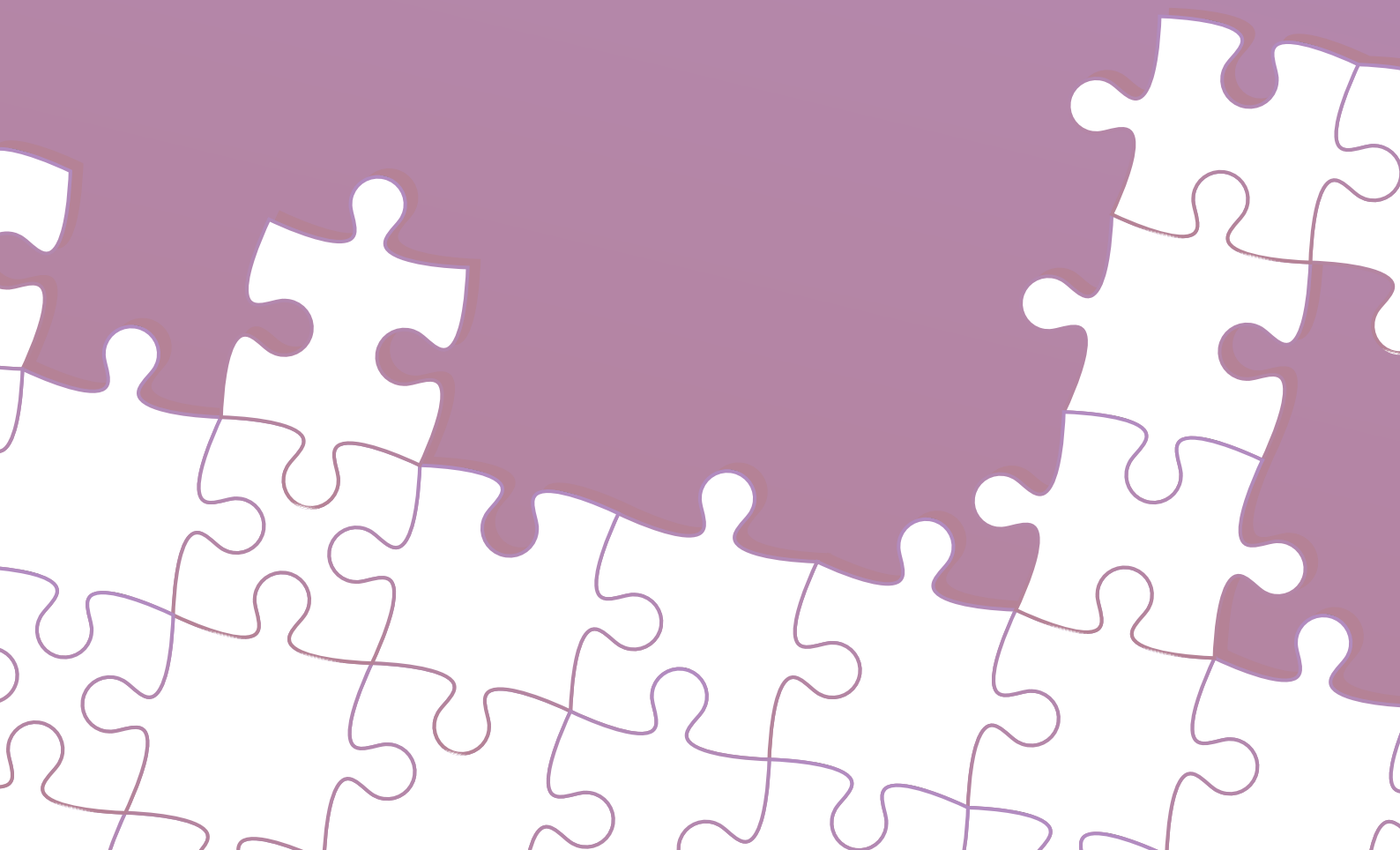
Roundtables 2024 REPORT



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ABOUT THE ROUNDTABLES





About the Roundtables

In April 2023, shortly after ChatGPT was launched in November 2022, the [Centre for Legal Innovation \(CLI\)](#) at the [College of Law](#) held its first virtual Legal Generative AI Roundtable series to benchmark how each sector of the legal ecosystem was approaching tech enabled transformation. You'll find the Key Takeaways Report Executive Report for that first Roundtable series [here](#).

A year on, from March to July 2024, CLI held its second Legal Generative AI Roundtable series but this time in person. We brought together 122 thought leaders and doers from five cities across Australia and New Zealand. Each Roundtable had representatives from all sectors of the legal ecosystem – lawyers, allied legal professionals, tech developers, legal consultants, legal educators, and management. For this second Roundtable series we narrowed the focus and got into the nitty gritty of how generative AI (GenAI) was impacting legal practice – the reality, the hype, positives, negatives and unknowns – you'll find the questions we asked in Appendix A. This Report captures the cumulative key takeaways below and from each individual session in Appendices B-F.

What did we learn? Spoiler alert, we're not where we need to be...yet! We're interested in and engaging with GenAI but it's going to be a long-ish journey. And, what got us here, cannot get us where we need to go!

THE big issue for the legal industry...how we shift our collective mindset and inherited legacy of watch, wait and react – to engage, collaborate, and predict...quickly enough.

What we need to focus on right now is understanding [GenAI's] challenges/limitations, its possibilities/opportunities, and evolving with it...carefully, responsibly and vocally.

What did we learn? Spoiler alert, we're not where we need to be...yet! We're interested in and engaging with GenAI but it's going to be a long-ish journey. And, what got us here, cannot get us where we need to go! Most of us have started to explore how this amazing, scary and incredible tech could be THE enabler for systemic transformation of the legal ecosystem but, we don't know exactly how right now and, there is still a significant number in our industry who are questioning 'the why.'

Despite the scepticism, there are also many in the legal industry who have a new vision for the future. They can see the world changing around them and that AI, GenAI and in time General AI is inevitable. They get that there's a balance to be struck between waiting too long and not long enough. And, they have identified THE big issue for the legal industry...how we shift our collective mindset and inherited legacy of watch, wait and react – to engage, collaborate, and predict...quickly enough. It's a tall order for an industry founded on precedent, perfectionism and risk management but it is possible, we know that for sure because we heard examples of that shift from the participants in the Roundtables AND we're all seeing it daily in the tech, especially the lawyer-led tech, being created.

Yes, there is a need for caution with this tech, that's now been well documented and we speak of it here too. We know the tech has issues. But, what we need to focus on right now is understanding its challenges/limitations, its possibilities/opportunities, and evolving with it...carefully, responsibly and vocally. It's going to take resilience and overcoming a fear of failure to move us forward. It's going to require ongoing investment like in every other R&D function in every other industry, everywhere. It's going to require metrics, measurement, monitoring, management, and data informed decision making. It's going to require us to redefine value. But, whatever way we communicate, resist, embrace, approach or otherwise cut and dice this tech, it has and will continue to change our industry!

Having noted that, we did explore the flip side in the Roundtables – what if the legal industry chooses to steadfastly defend the status quo? The answer to this is already apparent – we won't be able to actively contribute to the global, regional and local discourse on this subject, nor will we be integral to helping shape the responsible and ethical deployment of AI. That would be a bad thing! It's critical that informed legal voices are heard as the plethora of new AI focussed regulations, legislation,

standards, protocols and policies roll out everywhere. And, the legal industry also needs to know what's going on in the space and how it all works, if it is to deliver contemporary, different and new legal services, products and solutions for its clients, with the level of professional responsibility expected of every specialist (multiple disciplines) working in it.

There is a gap between now and next. It could become a chasm. So, how do we build the bridge and cross it? It starts and ends with education – every single one of us and on a scale like we have never seen before. Call it digital literacy or AI aptitude or whatever terms suits but, we cannot transform the legal industry, we cannot engage, we cannot serve our societies and clients, without this education. Right now, we don't have the capabilities or roles to deliver what is and will be asked of our industry. We don't have the business models that support the services, products or solutions we need to deliver...yet!

We don't have all of the answers...and, here's another spoiler alert, we never will. We are part of something new, different, and constantly changing – it's a huge change management process!

We also don't have all of the answers...and, here's another spoiler alert, we never will. We are part of something new, different, and constantly changing – it's a huge change management process! We must learn to embrace ambiguity and view it is as an opportunity to grow. There's an agility and adaptability that comes from working with ambiguity, it creates a place for open mindsets to thrive through questioning, experimenting, sharing, redefining and even reinventing what it means to be a legal professional working in the business and practice of law.

CLI is on this journey with you. We're here to prepare, inform, provoke, learn, share and connect with you where you are on your journey. To be sure we check in with you at least once a year, we've made this Roundtable series an annual event! We'll kick off the next Roundtable series in Q1 2025. If you would like to join us for one of the 2025 sessions or, if we can assist you at any time, please email us: CLI@collaw.edu.au.

But that's not all...we're continuing to do lots of stuff in this space under the umbrella of [CLI's Legal Generative AI Initiative](#). Right now, you can join for FREE:

1. [Legal Generative AI Global Community](#): a learning community for everyone in the legal ecosystem to access relevant, lightly curated daily content and immediately connect with people everywhere.
2. [Legal GenAI Clinic – Experiments and Use Cases](#): a bi-monthly online meet up to share experience, learn, and connect on legal GenAI in action.

Please also jump into our FREE [AI for Legal Series](#): a multi-episode video and podcast series on the fundamentals of AI for law students, lawyers, and allied legal professionals.

To everyone who attended and contributed to the 2024 Roundtable series and to those acknowledged below who made it possible to bring this Report to you – we could not do this without you, thank you so VERY much!



Terri Mottershead
Executive Director
Centre for Legal Innovation at the College of Law
September 2024

Acknowledgements

CLI would like to acknowledge and thank [Alison Laird](#), Principal, Laird Innovations and CLI Advisory Board member for her amazing work in bringing this Report to fruition – you can learn more about Alison in the About the Author section below.

CLI would also like to acknowledge the contribution of and thank the notetakers for each of the 2024 Roundtables sessions:

- [Erin Cairney](#), Knowledge & Information Manager, MinterEllisonRuddWatts
- [Bronwyn Eynon-Lewis](#), Co-Founder, Lacuna Professional Solutions
- [Melissa Lyon](#), Executive Director & Experience Designer, Hive Legal Pty Ltd and CLI Advisory Board member
- [Fiona McLay](#), Principal Consultant, McLay Legal Consulting
- [Katherine Thomas](#), Head of Growth & Strategy, CIE Legal

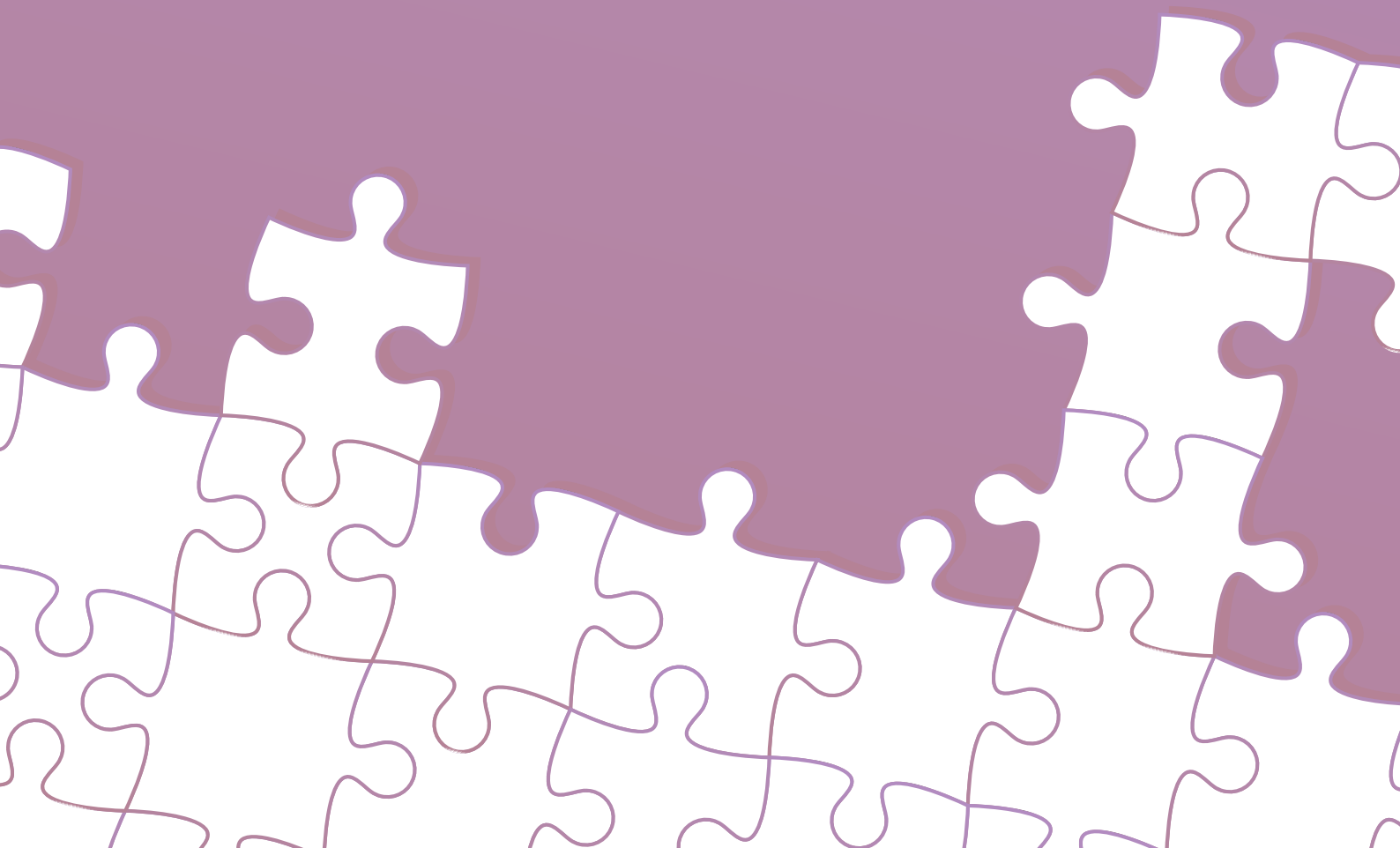


About the Author – Alison Laird

[Alison Laird](#) is a dynamic legal operations and innovation change leader with more than 20 years of experience in the public and professional services sectors. She has a proven track record of driving data-driven transformations, optimising processes, and implementing technology solutions to enhance productivity and client satisfaction. Alison's expertise lies in integrating people, process, and technology to design sustainable solutions that align with business objectives, delivering measurable value and growth.

She is an **Advisory Board Member for the Centre for Legal Innovation** and was an emeritus Teaching Fellow at Australia's [College of Law](#), where she developed and delivered curriculum for the legal innovation and entrepreneurship subject. She holds an MBA from the University of Melbourne and has completed advanced studies in change management (AIM and Prosci Certified), business analytics, and design thinking from leading institutions, including The Wharton School, University of Pennsylvania, USA and Queensland University of Technology.

EXECUTIVE SUMMARY



Executive Summary

Participants were optimistic about the potential of GenAI but highlighted key areas requiring attention, including skills development, change management, and managing client expectations.

1. Knowledge Gaps Abound

Across the Roundtable discussions, one notable finding was the gap between individual and organisational knowledge and use of GenAI—with the majority rating their personal understanding and usage higher than that of their firms. While participants were experimenting with the technology on a personal level, there was a notable lack of formal training and resources provided within organisations, slowing adoption and potentially limiting its integration into complex workflows.

Addressing the skills gap and job security for junior staff was also discussed. Participants called for more structured education on GenAI, particularly for law students and junior lawyers. Questions were raised about whether universities are adequately preparing graduates for this tech-driven landscape. Other concerns included data governance, security, confidentiality, and regulatory compliance, and smaller firms potentially facing more challenges due to limited resources.

2. New Ways to Collaborate

Collaboration between law firms of all sizes, clients, and tech vendors was seen as essential for advancing GenAI adoption. In-house legal teams, meanwhile, are balancing broad enterprise solutions with legal-specific technologies, often seeking external consultants for guidance.

3. People First, Then Data, Then Tech

Participants stressed the importance of robust change management programs to support digital transformation efforts and underscored the need for clear leadership and comprehensive training to ensure successful GenAI adoption. Legal leaders who actively engaged in the process, particularly around data management and transparency, were better able to build trust in the technology, accelerating adoption and ROI. Effectively managing the people side of change was seen as critical to avoid change fatigue.

4. Experimentation Embraced and Use Cases Emerging

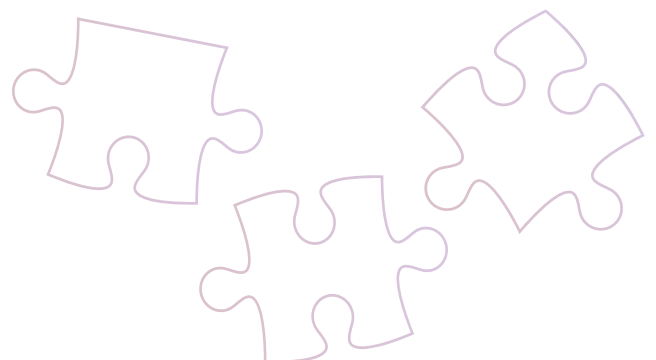
Despite these challenges, firms are experimenting with GenAI applications for tasks including contract reviews, intake forms, and marketing, and there is growing interest in client-facing applications. However, some reported mixed experiences with enterprise-wide tools like CoPilot. Many suggested while routine tasks may become more automated, human oversight will remain important to manage risk and client expectations.

5. Change is Afoot

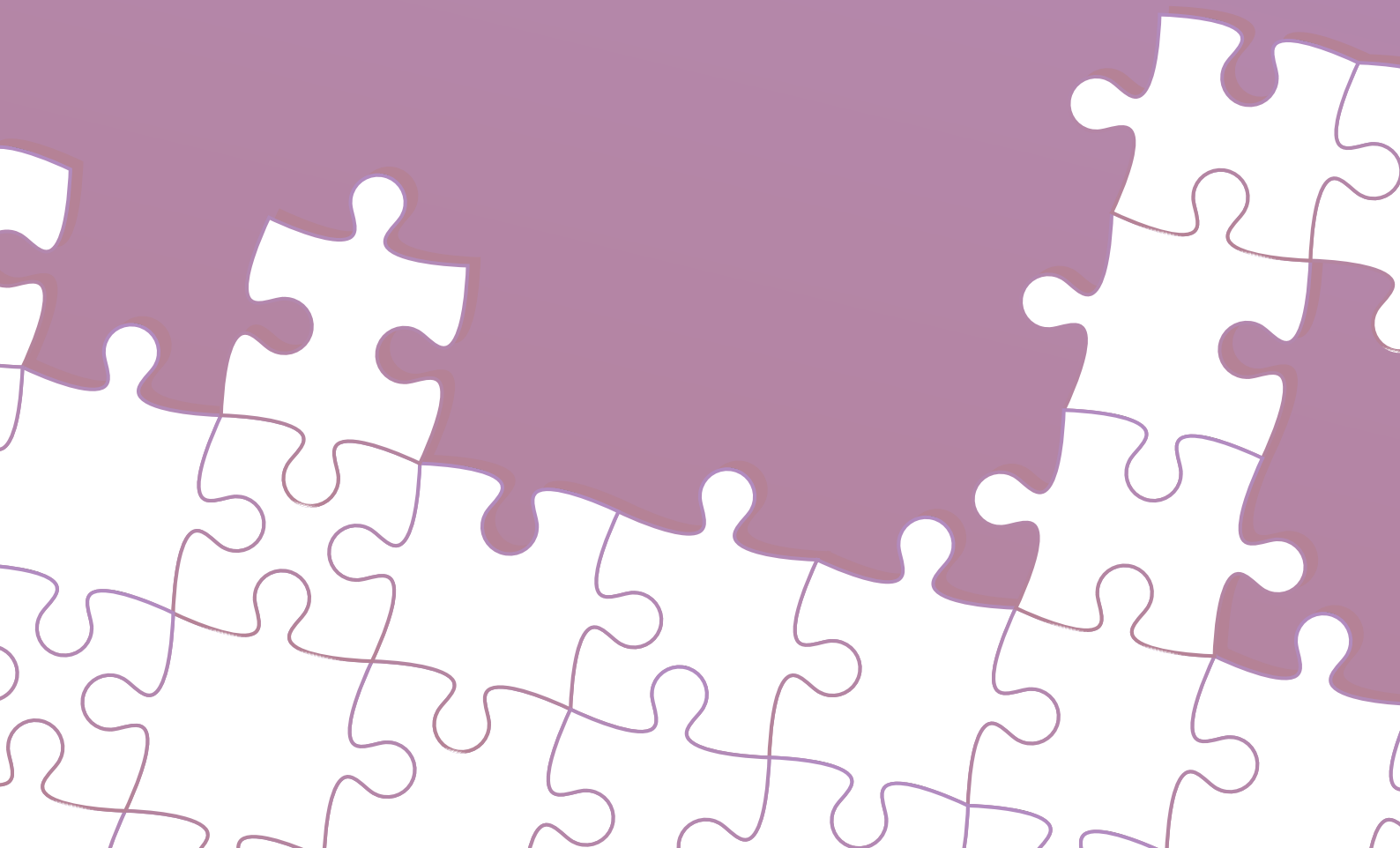
GenAI is already having an impact on traditional business models, with firms increasingly exploring alternative fee arrangements (AFAs) and value-based pricing. However, there is ongoing debate about whether GenAI should reduce costs for clients or if investment in time-saving technology will be incorporated into existing pricing structures.

6. The Future

Looking ahead, participants were optimistic about GenAI's potential to transform the legal profession, improve collaboration, and enhance service delivery. They highlighted the importance of strategic planning, ongoing training, and collaboration to fully leverage the opportunities GenAI presents. Key recommendations included adopting problem-oriented GenAI implementation, investing in skills development, fostering collaboration, reevaluating business models, and prioritising data security and ethical oversight.



KEY TAKEAWAYS



Key Takeaways

These key takeaways emerged from the Roundtable 2024 series. They underline the need for thoughtful, strategic planning in adopting GenAI, as well as a commitment to training, transparency, and effective collaboration to ensure the legal industry maximises the opportunities presented by this transformative technology.

1. GenAI Knowledge and Application

- Participants across all sessions generally rated their personal GenAI knowledge higher than their organisations, with individuals experimenting more than firms/businesses.
- This gap between personal and organisational adoption was attributed to lack of formal training, resources, and limited integration.
- Law firms and in-house teams are experimenting with use cases, such as document drafting, summarisation, and process automation, however, remain cautious about fully integrating GenAI into more complex workflows.

2. Adoption Challenges and Concerns

- Barriers to adoption include the cost of new technology, concerns over security, confidentiality, and regulatory compliance. Smaller firms may face greater difficulties implementing GenAI solutions due to constrained resources.
- There was some concern expressed around redundancy and job security, particularly among junior staff. Combined with limited time for training and exploring new tools creating potential resistance to change.
- Data governance and regulatory concerns have diminished trust, contributing to hesitancy in widespread adoption.
- With the fast pace of technological change, there is concern about how to effectively manage both the technology itself and the people who use it to avoid change fatigue.

3. GenAI Use Cases and Experimentation

- Use cases included intake forms, triage, administrative work, contract reviews, and marketing. CoPilot and ChatGPT experimentation is increasingly widespread.
- Some organisations are focusing on client-facing applications, such as summarising emails and legal research. Government clients are increasingly driving innovation, encouraging firms to develop best-in-class solutions leveraging new technologies.
- Firms/businesses have experienced varying levels of success with built-in GenAI tools (e.g., CoPilot), with some organisations finding its integration more valuable than others.

4. Business Model and Pricing Evolution

- GenAI is expected to disrupt traditional law firm business models, with firms exploring Alternative Fee Arrangements (AFAs) and value-based pricing to reflect the efficiencies brought by technology.
- Clients and firms are divided on how GenAI should be reflected in billing. Some expect cost reductions, while others anticipate GenAI to be factored into pricing. Law firms argue that expertise and intellectual property should still be charged accordingly.
- There is concern that GenAI could lead to standardisation of legal outputs, requiring careful consideration of how to maintain service differentiation

5. Training and Skills Development

- A significant skills gap exists, with many legal professionals lacking digital literacy. Formal training on GenAI tools remains limited, and much of the learning is done informally or on personal time.
- There is a strong call for more structured, reliable education programs to upskill legal professionals, including a mix of free and paid resources.
- Concerns were raised about the impact of GenAI on junior lawyers' career development, as routine legal tasks are increasingly being automated.

6. Tools, Technology, and Collaboration

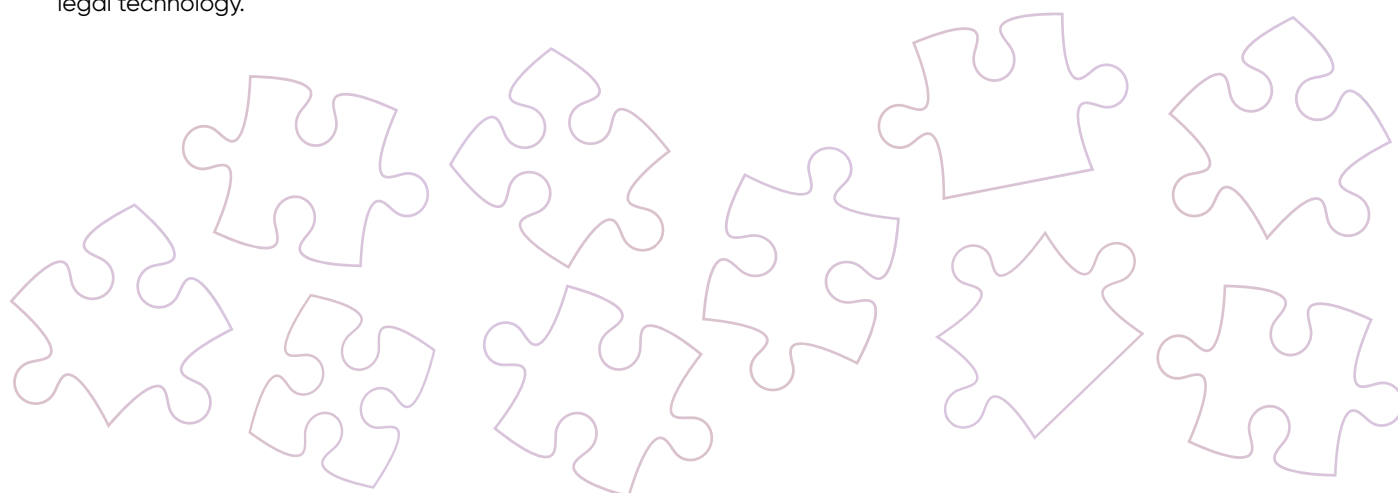
- Law firms are increasingly partnering with tech vendors and clients to co-develop and test solutions. There is growing recognition of the need for collaboration across the legal ecosystem.
- In-house teams are balancing between broad enterprise-wide solutions and more tailored legal-specific technologies, often looking to law firms and external consultants for guidance.
- Tools like CoPilot and LexisNexis+ are generating interest, although widespread paid adoption appears to be limited.
- GenAI presents a paradigm shift from the traditional approach of identifying a specific problem first to a "solution-first" mindset. This requires legal professionals to explore and experiment with GenAI to discover how it can be applied, rather than seeking out technology to address predefined issues, which challenges existing workflows and requires new ways of thinking about legal technology.

7. Change Management and Organisational Strategy

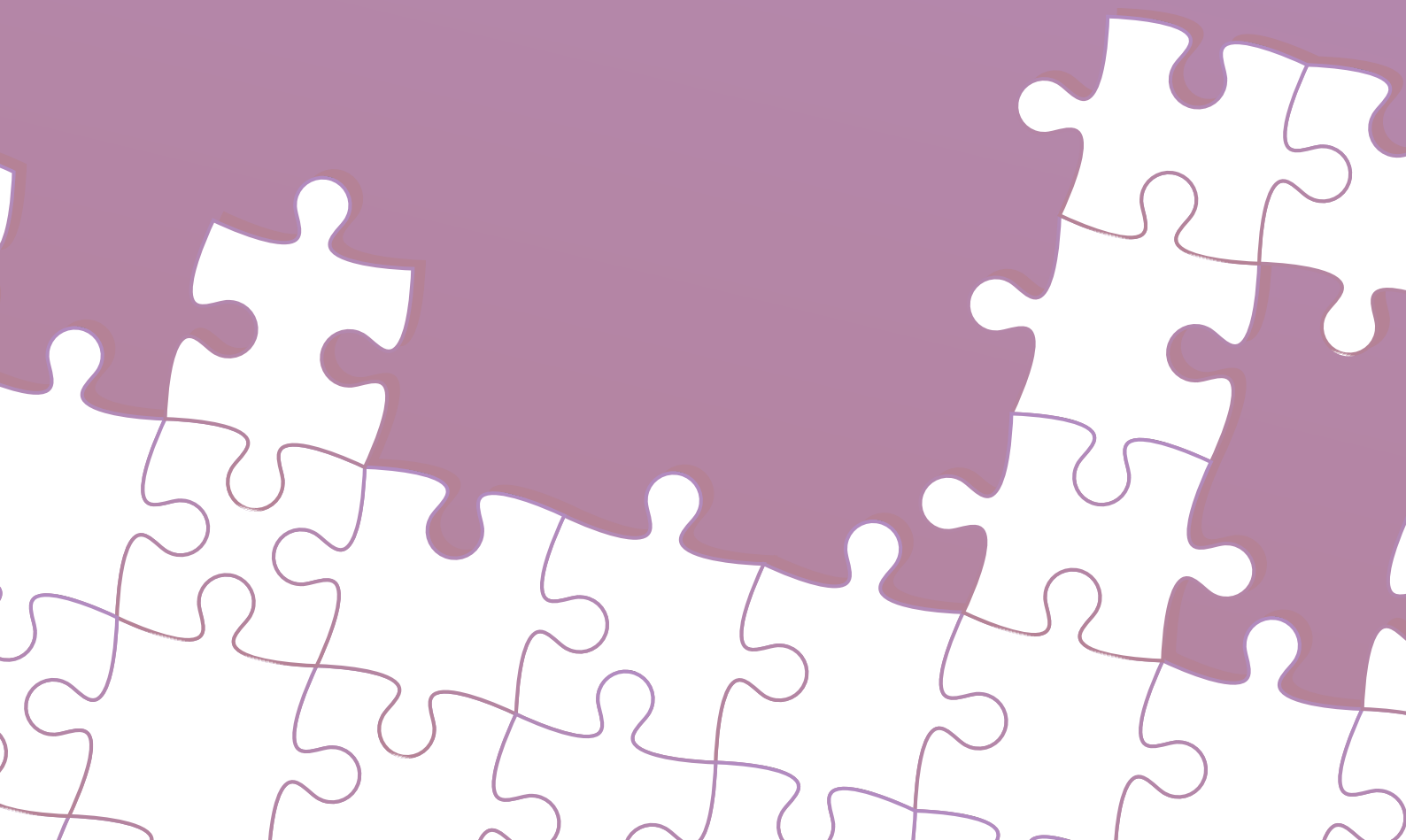
- Introducing GenAI requires a structured change management approach. Participants emphasised the need to focus on value creation, with clear communication and training programs to ensure successful adoption.
- Legal leaders must actively engage with technology adoption and cannot delegate these responsibilities to IT alone. Understanding the opportunities presented by GenAI is becoming a fundamental business skill for all employees.
- Organisations must address data management and transparency to close the trust gap and ensure that GenAI is implemented thoughtfully.

8. Future Outlook and Sentiment

- Most participants were optimistic about the future of law, believing GenAI will drive collaboration and transform legal services.
- There is concern about whether universities are effectively preparing law graduates for the rapidly changing landscape, and how young lawyers will develop in an environment increasingly influenced by technology.
- As GenAI becomes integral to legal practice, the role of human oversight will remain critical, though it will evolve. Participants are excited about the potential for lawyers to focus more on strategic work as routine tasks are automated.



RECOMMENDATIONS & NEXT STEPS



Recommendations & Next Steps

The following recommendations provide a framework for successfully integrating GenAI into legal operations and practice through a thoughtful and strategic approach that aligns technology with organisational goals, fosters collaboration, enhances skills development, and ethical oversight.

By addressing both operational and cultural aspects of GenAI adoption, the legal ecosystem can maximise the value of this technology while maintaining trust, transparency, and service excellence.

1. Adopt a strategic, problem-oriented approach to GenAI implementation

While GenAI encourages a solution-first mindset, organisations should carefully assess their current needs and processes before adopting tools. Define clear success criteria, focusing on value creation and aligning GenAI solutions with specific organisational, business, or client goals, rather than adopting technology for its own sake.

2. Establish strong change management programs

To ensure smooth adoption and accelerated ROI, implement robust change management strategies that include leadership engagement, transparent communication, and structured pathways to train and support staff. Proactively address concerns about redundancy and foster a culture of continuous learning and innovation.

3. Invest in structured training and skills development

Address the significant skills gap by investing in and offering structured, reliable training programs that blend free and paid resources. Focus on developing digital literacy, GenAI-specific skills, and legaltech fluency across all levels, ensuring junior lawyers also gain practical experience and career development opportunities.

4. Collaborate across the legal ecosystem

Build partnerships between law firms, clients and technology developers/vendors to co-develop and test GenAI solutions that meet evolving expectations. This collaboration can drive the adoption of tailored solutions, increase value for organisations, firms and clients, and enhance service differentiation.

5. Reevaluate law firm business models and pricing strategies

As GenAI transforms legal service delivery, firms should explore value-based pricing models that reflect the efficiencies and capabilities of technology. Engage in transparent discussions with clients regarding cost recovery and the value of expertise, while considering how to differentiate services that are increasingly standardised by technology.

6. Prioritise data security, privacy, and ethical oversight

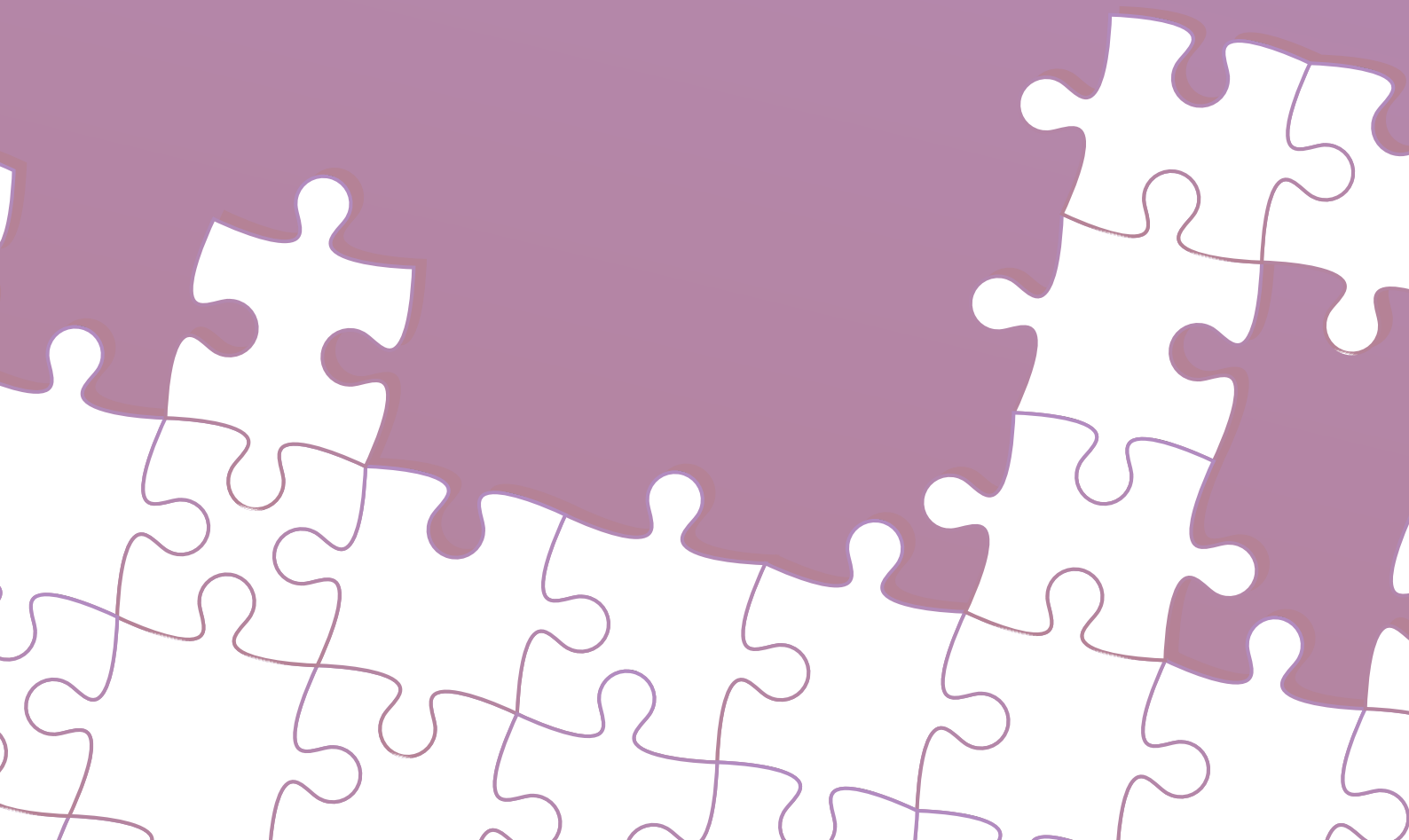
With data security and privacy concerns paramount, ensure that all GenAI implementations adhere to stringent governance and compliance standards. Maintain transparency regarding data use and develop clear policies for ethical oversight, keeping "a human in the loop" to mitigate risks and maintain trust in GenAI outputs.

APPENDICES

The Roundtable discussions were held on:

1. 6 March 2024 in Auckland, New Zealand
2. 30 April 2024 in Brisbane, Queensland, Australia
3. 4 July 2024, Melbourne, Victoria, Australia
4. 10 July 2024, Sydney, New South Wales, Australia
5. 25 July 2025, Perth, Western Australia

The following Appendices include the guiding questions and key takeaways from each session.



Appendix A: CLI Roundtables 2024 – Questions

“How GenAI is changing legal practice...way beyond the tech”

1. GenAI KNOWLEDGE/APPLICATION TODAY:

Scale from 1 to 5 where:

1 = just beginning

3 = experimenting but not yet determined uses

5 = using it daily in my practice

- You: On a scale of 1-5, what rating would you assign to your own knowledge/application of GenAI in your practice?
- Your firm/organisation: Using the same scale, what rating would you assign overall (on average) to the knowledge/application of GenAI in your firm/organisation?
- The difference: What factors best explain the difference?

2. GenAI USE CASES:

- If you are using GenAI, did you build, buy or modify? Pros/cons?
- What tech are you using, what for and why (and how did you prioritise)?
- Where do you see future use cases emerging?
- How/can/should you measure ROI?

3. GenAI ROLL OUT:

- Who is leading the GenAI initiative in your firm/organisation?
- Has/how has responsibility been distributed between oversight, application (use), purchasing decisions and advice (legal implications)?
- How, if at all, is the tech being “tested” (e.g. sandbox/experiments)?

4. GenAI IMPACTS:

- Other than the GenAI/tech itself, how has your practice been impacted by GenAI?
- Internal business practices: efficiencies, processes, systems, insights, etc.?
- External client-facing practices: self-serve, value proposition (including pricing), team composition (multidisciplinary?), additional business/revenue streams through consultancies?

5. GenAI RISK MANAGEMENT:

How are you mitigating GenAI related risks like responsible GenAI creation, GenAI regulation/compliance, hallucinations, bias, IP rights, ethics, data governance, insurances (and are you being asked) in:

- Your practice?
- Your suppliers – asking questions of them?
- Your firm/organisation as a supplier – being asked the questions e.g. in RFPs/Panel renewals?

6. GenAI – PREPARING FOR WHAT IS COMING NEXT (and is here now):

- How are you managing the need for constant change and adaptation?
- How are you managing gaps in skills including GenAI/digital literacy?
- How are you preparing for the evolution of the workforce and legal jobs as a consequence of GenAI? For example, in capability development/roles/talent management? (From recruitment through to succession planning)
- How long do we have to prepare as individuals AND for our firms/organisations?

7. GenAI AND LAWYERS/LEGAL PRACTICE:

To wrap and given the preceding discussion, how are you feeling about the future of lawyers/legal practice?

Scale from 1 to 5 where:

1 = depressed

3 = neutral – not clear yet on where this is all going

5 = positive and keen (there is a place for what we do, it's different, and I'm and keen to be a part of it)

Note: These questions were tailored for each session. The questions in Appendix A are an example of the core questions/issues raised.

Appendix B: Key Takeaways from CLI Auckland Roundtable

Date: 6 March 2024

Location: [MinterEllisonRuddWatts](#), Auckland, New Zealand

Facilitator: [Terri Mottershead](#), Executive Director, Centre for Legal Innovation at the College of Law

GenAI Knowledge and Application

- Participants stated there has been a focus on systems, use cases, processes, risk, and governance with further discussion about the adoption of GenAI tools.
- The majority of individuals ranked themselves at a 3 out of 5 on the scale for GenAI knowledge and application (3 = experimenting but not yet determined uses).
- Most attendees ranked their organisations slightly lower at a 2.5 out of 5 for GenAI knowledge and application.

Adoption Challenges and Concerns

- Job security nervousness, particularly in the tech sector, due to potential GenAI impacts.
- Culture matters, it influences whether an organisation perceives GenAI as an opportunity or a threat.
- Some concern about uncertainty and what people are allowed to use GenAI for – junior lawyers need guidance and support.
- Digital divide could increase between those who can afford expensive tools/add on modules and those who cannot. Particularly evident in research where content is king.
- There is a need to work closely with providers around data security, privacy, quality issues.
- Small problems may lead to significant adoption hesitancy – there is a need to be transparent and proactive to resolve (e.g., critical question being asked: which jurisdiction is data being processed in?).
- The US market is more sophisticated with multiple products, however adoption is constrained by economic climate and regulatory factors.

GenAI Use Cases and Experimentation

- Most firms/organisations are identifying and exploring use cases, however, remain cautious.
- Some participants reported tools created based on ChatGPT (OpenAI).
- There has been a focus on play and experimentation e.g., write an email with no confidential information using GenAI.
- Other use cases include document assembly, review, summarisation, legal research, contract matrix, procurement contract metrics, litigation success prediction tools.

Business Model

- Build or buy – there were pros and cons discussed around developing in-house tools or using external providers customising off-the-shelf options.
- Most agreed that preparing the environment must precede tool rollouts – data quality is critical.
- Some participants mentioned changes in business models to include virtual legal operations functions and/or virtual paralegals being created. The advantages included the ability to communicate in multiple languages for global teams using GenAI; and ability to generate a document with references and links to open access legislation and case law to provide a solution to a problem (not advice as it as a paralegal not a lawyer).
- Metrics to benchmark general implementation success include ROI, time savings, cost reduction, risk mitigation, adoption rates, and firm performance.

Training and Skills Development

- Most organisations are going through a process of awareness raising; learning terminology and language; developing skills and confidence.
- It remains important for management and leaders to be involved and supportive of GenAI learning and development programs to ensure buy-in and success.
- Some participants reported GenAI committees are being created and tasked with internal and external facing policy creation, guidelines and use cases.
- Others mentioned 'GenAI Officers' have emerged as a new role which may become increasingly prevalent.

Client Expectations and Pricing Evolution

- Some clients have been asking if GenAI has been used, and if not, why not. These clients are usually seeking answers to specific questions, e.g., the following areas: ethical, legal and practical implementations of data governance, management, and ringfencing of data/client matters.
- There have been deliberations in some firms around shifting from billable hours to value billing which now includes a new element, i.e., the need to recover investments in tech tools. There may need to be some consideration on the impact GenAI usage will have on Alternative Fee Arrangements (AFAs).
- In the meantime, GenAI productivity tracking aids have been helpful in communicating the value of legal services.

Tools, Technology, Collaboration

- Participants agreed collaborating with clients on tools, adaption and use cases has been helpful and continues to be important as GenAI usage and acceptance increases.

Change Management and Organisational Strategy

- Participants agreed the importance of effective change management programs, communication, and training in the deployment of any new GenAI solutions ('it's a journey, we need to bring people along – people have differing levels of knowledge and enthusiasm').
- Hackathons have been used to generate use cases and build excitement.
- GenAI solutions may impact internal work practices and team structures, and consequently adaptation to change.
- Embedding GenAI within the organisation requires dedicated roles and time.
- Boards should treat GenAI implementation strategically.

Future Outlook and Sentiment

- Most participants rated their feelings about the future of lawyers and legal practices as positive, with a score of 4 or 5 out of 5.
- Ethical judgment and problem-solving skills will become increasingly important, particularly for law students.
- Legal education will need to evolve to incorporate GenAI usage.
- Participants queried if future changes would be incremental or radical.
- The future of lawyers and legal practice generated excitement, with varying levels of anticipation.

Acknowledgements

The Centre for Legal Innovation expresses its sincere appreciation to **Erin Cairney**, Knowledge & Information Manager, MinterEllisonRuddWatts, for consolidating the key takeaways. We also extend our gratitude to **Tom Maasland**, **Tila Hoffman**, Erin Cairney and **Sean Dolan** at MinterEllisonRuddWatts for hosting the session.

Appendix C: Key Takeaways from CLI Brisbane Roundtable

Date: 30 April 2024

Location: [College of Law Queensland](#), Brisbane, Australia

Facilitator: [Terri Mottershead](#), Executive Director, Centre for Legal Innovation at the College of Law

GenAI Knowledge and Application

- Individuals ranked themselves generally ahead of where their legal firms/organisations were for GenAI knowledge and application.
 - The majority of individuals ranked themselves between 2 to 4 out of 5 on the scale for GenAI knowledge and application.
 - Participants' ratings of their organisations' knowledge and application of GenAI were more evenly distributed across scores from 1 to 4, with a balanced number of responses for each rating level.
- Participants indicated that the impact of GenAI varies significantly across organisations. Smaller and regional practices are often not equipped to implement GenAI effectively, and adoption journeys differ, with some finding that current products do not deliver sufficient value/ROI.
- Overall GenAI has been adopted to assist in process thinking and business processes, less so for investigations.

Adoption Challenges and Concerns

- Participants agreed when embarking on digital transformation initiatives, it is important to clearly define success criteria and establish the specific functionalities required from the tool (i.e., what do you want the tool to do, what problem will it solve).
- GenAI will enhance our work but will not replace it. The process remains 80% people and process, and 20% technology. It is essential to address all three key components: People, Process, and Product (Technology).
- Data is critical, but it also potentially serves as a limiting factor. Trust in systems and data security has diminished due to high-profile breaches in large national and international companies. There may be some risk aversion resulting from data security concerns.
- Concerns expressed around GenAI and managing privacy and governance, compliance and regulation requirements.

- Communicating use of Gen AI and understanding the technical depth required to explain GenAI to clients and staff was raised, as was the need to educate lawyers on how to effectively discuss GenAI with clients without overpromising.
- Other concerns raised included inherent bias, cautious use of sentiment analysis, and recognising "GenAI washing" in pitch meetings (i.e., overstating or misrepresenting the capabilities of generative AI in marketing, product pitches, or discussions).

GenAI Use Cases and Experimentation

- In some organisations, there are dedicated innovation and technology teams experimenting on client facing applications where beta versions of programs utilising GenAI have been released to the business and some clients for testing. The focus in this use case is on assisting the client rather than internal efficiencies.
- In some cases, legal teams have been reduced to accommodate changes (e.g., self-service using GenAI tech).
- Marketing and tenders are areas where GenAI is being deployed within firms as a testing environment.
- GenAI is being used to assist with compliance in areas like ESG and tax.
- Some organisations are using enterprise-wide CoPilot. Use cases included tenders in a secure environment with response times reduced from at 10 days to 7 hours.
- Some GenAI adoption has been partly driven by government clients, who are encouraging suppliers to identify and develop "best-in-class" products. They expect suppliers to provide well-defined, reliable implementation plans that can be defended in the event of any issues.
- Other use cases included: first drafts, marketing and business development, writing speeches, and matching invoices to payments.

Business Model

- Currently, the primary drivers for firms to implement GenAI are the pursuit of efficiency (in both speed and quality) and the need to stay competitive.

- A key challenge is determining how a legal practice can afford the associated implementation and training costs, with smaller firms potentially finding it more difficult to secure sufficient funding.
- GenAI is poised to fundamentally transform how lawyers deliver services to clients, creating potential short- and long-term challenges as the industry seeks to measure return on investment (ROI).

Training and Skills Development

- There is currently a shortage of experienced and expert consultants in the market.
- A significant skills gap exists, making it difficult to find individuals with the required skillsets. The absence of standards to define the necessary competencies for those working in legal GenAI further complicates the issue.
- People are gaining knowledge through a variety of methods, including free and paid courses, conversations, readings, external consultants, committees, and working groups.
- There is a need for reliable guidance and structured education programs. It was recommended to start with a free program and later transition to a paid version, with the caveat that free programs may treat users as the product.
- It was also recommended to explore a range of learning resources, including international ones from markets that are ahead of Australia, such as the Law Society of England and Wales.

Client Expectations and Pricing Evolution

- Firms must first get their internal operations in order before they can effectively deliver GenAI solutions to clients.
- There is a tension between external client demand for the benefits of GenAI and the internal drive for continuous improvement, with these efforts progressing at different speeds.
- Practice directions are emerging from the US, requiring verification, certification and review of outputs when using GenAI.
- It will be critical to understand the impact of GenAI on insurance coverage. A thorough process for gathering questions and relevant information should be established.

Tools, Technology, Collaboration

- Market forces are driving the adoption and implementation of GenAI, with widespread media coverage promoting available products at scale, pushing the legal industry toward greater familiarity with GenAI and its functionality.

- Firms should take advantage of vendor offerings and tools, such as workshops and hackathons, to educate lawyers on GenAI and its applications.

Change Management and Organisational Strategy

- It will be important for firms and organisations to approach the impacts of GenAI through a structured change management process. This includes identifying the problem before seeking a technology solution, assessing the quality of data, analysing it, and then determining whether technology is part of the solution.
- Demonstrating real use cases where GenAI enhances jobs internally and providing transparency about where data is stored and who has access to it externally will be essential for closing the trust gap.
- Change fatigue is already a challenge due to the rapid pace of transformation.
- The focus should be on improving what we do with GenAI, rather than simply finding ways to use the technology.
- GenAI adoption is progressing at varying speeds and investment levels across different organisations.
- A change management program is recommended to bring people together on the journey to:
 - Establish and maintain trust
 - Deliver meaningful value
 - Re-evaluate performance metrics versus timesheets
 - Build multidisciplinary teams and
 - Develop digital team support.

Future Outlook and Sentiment

- It is widely acknowledged that the way we work will never be the same and participants believe that nearly everyone is either currently using, or will begin using, GenAI in some capacity within the next 12 months.
- A key question is determining where to begin adopting GenAI and identifying the best achievable practices. With the overwhelming amount of information, people are experiencing information overload and need reliable, trusted sources to guide them.

Acknowledgements

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Appendix D: Key Takeaways from CLI Melbourne Roundtable

Date: 4 July 2024

Location: [College of Law Victoria](#), Melbourne, Australia

Facilitator: [Terri Mottershead](#), Executive Director, Centre for Legal Innovation at the College of Law

GenAI Knowledge and Application

- Most individuals, firms, and in-house teams are still navigating their path with GenAI.
- The majority of individuals ranked themselves between 3 to 4 out of 5 on the scale for GenAI knowledge and application.
- Participants ranked their organisations between 3 to 5 for GenAI knowledge and application.
- The gap between personal and organisational ratings was attributed to several factors, including the challenge of encouraging lawyers to adopt new ways of working, pockets of both interest and resistance within firms, and the impact of top-down messaging, all of which are closely related to change management.
- In-house teams are balancing the choice between enterprise-wide and legal-specific solutions, often relying on law firms for guidance.
- There is a notable affordability gap between Big Law/large organisations and smaller firms/organisations when it comes to adopting solutions.
- Excitement around GenAI is tempered by the challenges of managing change in a rapidly evolving tech landscape, both within the legal ecosystem and beyond.

Adoption Challenges and Concerns

- The rise of GenAI has shifted focus toward “solution first” approaches, often distracting organisations from identifying the core problem before implementing technology.
- In-house teams report facing a shortage of resources, with most of their budgets usually allocated to staffing.
- Concerns have been raised about lawyer training, as routine BAU tasks are increasingly delivered by GenAI solutions.
- Insurers have emphasised the need for a “human in the loop” to ensure oversight of GenAI outputs.
- Key challenges include the high costs of implementing necessary infrastructure and training, which may prevent smaller firms from fully leveraging GenAI.
- There has been difficulty aligning technology needs versus wants within firms.
- GenAI models are beginning to acknowledge that data usage poses significant challenges, and efforts are underway to address these issues.

- Tertiary institutions have recognised the importance of understanding GenAI’s implications from a risk management perspective.
- Additional concerns mentioned include the need to review the supply chain, manage compliance requirements, and assess the impact on ESG (Environmental, Social, and Governance) initiatives.

GenAI Use Cases and Experimentation

- Awareness of GenAI is growing, with partners/ leadership beginning to understand its applications, (e.g., summarising emails), although they may not fully realise the existence of established tools for e.g., document review has been in use for several years.
- Some firms are leveraging CoPilot champions to generate excitement among teams, leading to varying levels of interest.
- Others are collaborating with universities, hosting initiatives like GenAI Clinics and feeder programs to drive engagement.

Business Model

- There is still no clear understanding of how GenAI will impact law firm business models. The legal ecosystem is evolving into both a profession and a service, with law firms facing competition from consultants.
- Some legal teams are exploring how new technologies and business models, such as shared global resources, might foster collaboration.
- A recent operating model review for one in-house teams has seen GenAI implemented enterprise-wide, though not yet within the legal team.
- There will be a need to recover the investment in GenAI, including costs in terms of time, money, and resources, particularly for law firms charging clients for legal services.
- From a small business/firm perspective, clients are becoming more sophisticated, expecting reduced legal fees due to quicker task completion through GenAI. Lawyers are countering with the argument that “there is still a lawyer in the loop,” but this may not fully convince clients. The key question will be: what is the value of the human in the loop?

- Decisions around whether to build, buy, or modify GenAI solutions will depend on the specific use case, including legal work, competency, productivity, and operational needs.

Training and Skills Development

- There is a need for education around the tools already available and in use.
- Emphasis should be placed on developing strong prompting and review skills.
- Concerns have been raised about potential legal skills gaps in the future, as GenAI may reduce opportunities for progression and learning.
- A strong focus on education and capability development will be necessary, with questions around the pace at which this should be implemented.

Client Expectations and Pricing Evolution

- Some clients are embracing GenAI and seeking to learn from firms, asking, "What are your teams doing with GenAI?" and requesting assistance in finding the right tools (e.g., for legal research).
- Some clients are using CoPilot at the enterprise level but have not yet implemented it for legal teams. Others are exploring specific GenAI tools.
- Client preference is for final advice provided by a "human" to manage risk effectively. Some report that recent project experience demonstrated clients prefer to pay hourly rates for humans rather than for tools used.
- A potential tension exists between clients and firms regarding financial models, particularly how firms will bill clients when GenAI augments the delivery of services.
- Pricing methodologies will largely depend on how the technology is being utilised, e.g., tech costs relevant to pricing could be divided between technology that benefits the team (a business cost) and technology that directly benefits the client (a client cost). Some firms have already adopted value pricing and argue that GenAI is enhancing their ability to work in new ways by combining capability with technology.

Tools, Technology, Collaboration

- Many in-house teams are exploring partnerships with law firms, seeking out 'best practice' while carefully considering security and risk.
- With the cost implications of GenAI, questions arise about opportunities for collaboration between small and large law firms, or whether GenAI will drive further consolidation in the industry? In one collaboration example, three Community Legal Centres (CLCs) pooled their resources to develop a practice management system solution.

- Tech vendors may now be viewed as partners, as there is a need for a deep understanding of use cases and the problems to solve. Vendors and consultants may be best positioned to help in these areas.

Change Management and Organisational Strategy

- Effective change management will be important. The focus should be on the value created by GenAI, with a need for transparency and a clearer understanding of its benefits to assist with effective change management and accelerated adoption.
- Starting with value, culture, and identifying problems or opportunities, rather than beginning with the technology itself will be key. There is a responsibility to train and resource legal teams from this perspective.
- Technology should be leveraged to handle tasks it is capable of, allowing lawyers to focus more on client-facing roles and advisory work.
- Knowledge management and the way data is stored should also be a central and strategic focus.

Future Outlook and Sentiment

- The majority of participants were highly optimistic, with most giving a ranking of 5 about their feelings for the future of law with many believing GenAI will continue to serve as a catalyst for greater sharing and collaboration.
- Some expressed concerns about the broader impact of GenAI beyond the legal field (e.g., superintelligence), the rapid pace of change, limited understanding, and the monopolistic nature of the environment.
- While maintaining a "human in the loop" remains important, there is ongoing discussion about how the role of that human will evolve as GenAI advances further.

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Appendix E: Key Takeaways from CLI Sydney Roundtable

Date: 10 July 2024

Location: [College of Law New South Wales](#), Sydney, Australia

Facilitator: [Terri Mottershead](#), Executive Director, Centre for Legal Innovation at the College of Law

GenAI Knowledge and Application

With a show of hands, the group indicated they were mostly using GenAI daily, however the average level of use of GenAI in their organisation was generally lower – with most still experimenting and finding use cases.

Adoption Challenges and Concerns

Barriers to adoption included:

- The cost of licensing fees, with uncertainty around use cases making the return on investment unclear.
- Heavy reliance on current document management systems, which can limit effective integration with GenAI tools.
- Concerns around confidentiality and security risks that need to be addressed.

GenAI Use Cases and Experimentation

- A common approach mentioned was providing access to GenAI-powered tools and allowing teams to experiment independently.
- One vendor noted using a general chat interface, even with a legal-specific focus, often takes too long to produce consistently repeatable outputs.
- Other use cases for GenAI included handling routine legal tasks such as building chronologies, reviewing high-volume, low-value contracts, and conducting urgent marketing compliance checks.

Business Model

- Many believe that the evolution of the traditional law firm business model, which is largely based on billing hours worked, is inevitable.
- Legal teams are still experimenting to determine where the true value and impact of GenAI lie. It was noted that in-house teams tend to have a greater appetite for experimenting with GenAI compared with law firms.

This raises the question of whether this difference is due to varying organisational approaches to managing performance or a misalignment in business models.

- Tracking return on investment for GenAI implementation can be challenging, particularly for businesses that are not currently measuring process benchmarks.
- Beyond time savings, other key metrics participants were using included cost savings, reduction in write-offs, client retention, new client acquisition, user satisfaction, staff retention, and contract value leakage.
- Legal team leaders have traditionally delegated IT responsibilities to experts, but this “set and forget” approach may no longer be viable. Understanding and engaging with the opportunities presented by GenAI tools is becoming an essential business skill.
- Participants have observed the rise of multidisciplinary teams working on tech-driven projects. Law firms that specialise in leveraging technology to improve legal service delivery have begun offering consulting services as an additional revenue stream.

Training and Skills Development

- Participants reported a general lack of digital literacy across all levels of the legal sector, which is hindering the effective use of GenAI.
- Graduate lawyers are entering a profession that looks very different from what they anticipated when they began their studies. While they still aim to acquire practical skills and legal expertise, many may not necessarily be interested in “doing law differently” leveraging new technologies.
- Careful consideration is needed on how the legal profession can equip junior lawyers with the necessary skills and experience to help clients navigate increasingly complex and uncertain environments.

Client Expectations and Pricing Evolution

- Similar to the evolution of pricing for tech-assisted document review, clients are likely to expect GenAI-powered tools to offer a cost-effective alternative that enhances the delivery of legal services.
- From a consumer perspective, one online legal service provider found that small businesses are not willing to pay 'extra' for GenAI; instead, they expect the integration of smart tools to deliver an improved experience at no additional cost.
- Billing by the hour does not allow firms to capture the return on substantial investments in technology, ongoing staff upskilling, and process improvements, especially as the market places a ceiling on pricing for routine legal work.

Tools, Technology, Collaboration

- Cooperative development of solutions is on the rise, with tech vendors collaborating more closely with clients to design and test solutions, leading to a significantly different sales process.
- In-house teams lacking dedicated legal IT expertise are seeking external assistance to evaluate, build, and adopt customised tech solutions. They also stand to benefit from access to skilled resources for education, training, and effective change management.

Change Management and Organisational Strategy

- GenAI is shifting technology acquisition strategies. Unlike traditional tech, which is introduced to solve specific problems, GenAI requires users to explore how it can be applied. This presents a challenge for time-poor professionals who lack the bandwidth to experiment with new tools.
- While many are leveraging free GenAI resources, it will be important to ensure individuals understand the value of these tools to foster meaningful and effective engagement and use cases.
- Significant investment in change management and skills development is essential. No matter how advanced the technology solution, the benefits will not be realised if people do not effectively adopt and use it.

Future Outlook and Sentiment

- The discussion concluded on an optimistic note, with most participants feeling positive and enthusiastic about the future of law in an evolving landscape.
- There was a shared commitment to improving legal service delivery through tech-enabled solutions, which promise to enhance the professional environment for legal practitioners and position them to effectively support the broader community in navigating change during these dynamic times.

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Appendix F: Key Takeaways from CLI Perth Roundtable

Date: 25 July 2024

Location: [College of Law Western Australia](#), Perth

Facilitator: [Terri Mottershead](#), Executive Director, Centre for Legal Innovation at the College of Law

GenAI Knowledge and Application

- Participants generally rated themselves ahead of their organisations in terms of GenAI adoption, with most giving themselves a rating of 3, while rating their organisations at 1 or 2.
- The key reasons for this gap included challenges with adoption, the impact on legal operations, the need for training and integration, and the strategic use of GenAI.

Adoption Challenges and Concerns

- Various organisations are adopting GenAI tools (e.g., CoPilot and ChatGPT) for tasks including intake forms, drafting, and administrative work. However, challenges include resistance due to fears of redundancy, limited time for training, overcoming accuracy concerns and regulatory constraints.
- A key adoption constraint is time, with much of the learning around GenAI happening outside regular work hours. Paid skills development has been limited, and interest in adopting new solutions varies across teams and organisations.
- Compliance with regulations, as well as concerns about security and privacy, still need to be addressed and communicated. Trust and accuracy also remain key issues, with concerns about AI-generated inaccuracies (hallucinations).
- GenAI has had a positive impact on legal operations, particularly in large firms, where it is seen as valuable for streamlining workflows and boosting productivity.
- Smaller practices, while benefiting from increased efficiency GenAI presents, feel disadvantaged compared to larger firms due to limited resources.
- Some report difficulties encouraging people to approach the technology with an open mind and attend education workshops, largely due to fears of redundancy.

GenAI Use Cases and Experimentation

- GenAI use cases mentioned included intake forms, triage, administration, drafting, presentations, articles, automated sales processes, and CoPilot for pivot tables, coding, and summarising, as well as bots for handling NDAs.
- Experiences with CoPilot varied across organisations, reportedly offering different functionalities, which has led to differing opinions on its application.
- Innovation and the exploration of new use cases have on occasion been constrained by organisational bureaucracy.

Business Model

- GenAI may produce a trend toward the homogenisation of legal advice output. The implications of this shift will need to be considered.
- Legal work may become more engaging, as GenAI increasingly reduces the mundane, routine tasks and allows professionals to focus more on big-picture strategy and complex issues.
- While the number of lawyers may eventually decrease, human input will still be required for guiding and effectively prompting GenAI tools.
- GenAI could help smaller practices level the playing field by enabling more efficient delivery and development of productised services.

Training and Skills Development

- A common theme expressed was the insufficient time allocated for GenAI training, with many teams relying on informal experimentation—often done in personal time—or depending on tech-savvy members to bridge the gap between technology capabilities and organisational needs. Some participants have received prompt training.

- Many are utilising free training resources, including those from the CLI, ALTA, ALPMA, universities, Microsoft, Google, LinkedIn Learning, and Harvard Law School's CS50 course for lawyers.
- There is broader concern about the impact on training and career development for lawyers.
- The curation of knowledge will become increasingly important as the use of GenAI expands.
- Some participants reported creation of GenAI policies within their organisations.

Client Expectations and Pricing Evolution

- Most clients expect law firms to incorporate GenAI in the future, but opinions on cost recovery for the technology, and GenAI assisted outputs are mixed. Some clients anticipate it will be listed as a separate line item on invoices or integrated into overall service charges, while others expect a price reduction. Law firms, however, maintain that clients are paying for their expertise and intellectual property, and should be charged accordingly.
- In the meantime, many in-house teams are closely monitoring law firms' GenAI experiments before making their own strategic decisions on adoption and implementation.

Tools, Technology, Collaboration

- Participants highlighted the potential value of CoPilot, noting that its integration into existing technology is a significant advantage.
- There was also interest expressed in LexisNexis+ and CoCounsel, though there has been limited paid adoption of these tools so far.

Change Management and Organisational Strategy

- Effectively communicating the value of lawyers delivering streamlined, efficient services augmented by GenAI presents a significant change management challenge.

Future Outlook and Sentiment

- Participants were overwhelmingly positive about the future of law, with most rating their optimism at 4-5 out of 5.
- There was concern expressed about universities continuing to produce law graduates in a rapidly changing legal landscape, with questions about whether they can keep pace with the speed of change GenAI presents.
- GenAI is expected to become a core component of legal services, with firms anticipating that the associated costs will eventually be included in client billing.
- However, concerns persist about its impact on the development of junior lawyers, the evolving role of human oversight in GenAI-generated outputs, and the challenge of finding time to learn new ways of working amidst the pressures of daily workloads.

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